

Memorandum

Date: March 17, 2011

To: John Kovash, Mayor
Members, West Linn City Council

From: Chris Jordan, City Manager

Subject: Willamette Falls Television

Purpose

To provide background information for the City Council and Citizens' Budget Committee about a possible proposal in the 2012-2013 Biennial Budget.

Background

As the Council is aware, West Linn staff has been discussing possible changes to how the City provides government and community access television. Currently, this service is provided by Willamette Falls Television which was created by an IGA between West Linn and Oregon City. The two cities appoint the members of the Clackamas County Cable Advisory Board (CCAB) that has broad discretion in operating the studio.

Currently, the two cities each provide 32 percent of our cable franchise fee revenues to WFTV. For West Linn, this is now approximately \$110,000 annually. From a city perspective, the primary purpose of WFTV and for public, education and government television access is to provide to the community reliable access to the video recordings of government meetings. We accomplish this not only through WFTV, but also via the City's website. A decade ago, community or public access television was more critical than it is today as now many websites provide the public with the ability to download and view video recordings on demand.

Over the past two years, staff has looked at several options to provide public access television in a more efficient and cost-effective manner. Our priority is providing a high-quality level of service that represents the interests and wishes of our community. Our concerns about continuing to fund this service at the \$100,000+ level include the following:

- According to information provided by WFTV, over the past few years an average of 25 West Linn residents annually use the WFTV studio to make their own television programming.
- WFTV has an annual budget of approximately \$300,000. As of February 2011, WFTV had more than \$200,000 in its bank accounts – roughly two-thirds of its annual budget. Therefore, WFTV does not need the full allotment called for in the IGA from the two cities.
- Our research indicates that WFTV has entered into contracts with other public agencies to provide a very similar level of service to other cities for a fraction of the amount that Oregon

City and West Linn provide each year. It has become clear that our funding level subsidizes the services provided to these other cities. (I have taken steps to inform the other cities of this situation.) It has been suggested previously to the CCAB that these contracts should be reviewed to ensure that all agencies contribute their fair share to WFTV operations.

- In the West Linn 2011-2013 Biennial Budget that is currently being drafted, it is very likely that we will be reducing our authorized staff by approximately five to seven Full-time Equivalent positions (FTEs). These positions may affect service levels for the police, library and other high priority areas.
- It is our responsibility to review all programs the City funds to ensure that the highest priority services are being funded adequately, specifically the core municipal services such as public safety, library, parks and others.

For these reasons, staff held discussions with the CCAB about agreeing to a Memorandum of Understanding that would alter some of the financial and management oversight of WFTV, and held discussions with Clackamas Community College about that college managing and operating the community access studio. Neither of these alternatives were successful.

We have also held a preliminary conversation with the Metropolitan Area Communications Commission (MACC) which provides government and community access television for many agencies in Washington County and the City of Lake Oswego. (These discussions are continuing, but will not be completed until late 2011 at the earliest.)

Conclusion

The question for me is: *what amount should be proposed in the Biennial Budget for continuing support to WFTV?* After many discussions with Oregon City management, I am currently planning to propose that the two cities immediately consider amending the IGA to reduce the minimum support from the two cities from 32 percent of cable franchise revenues to 16 percent. It is my understanding that Oregon City plans to propose the same.

This change will save West Linn approximately \$110,000 in the biennial budget, thus allowing us to maintain approximately one staff position in City Hall.

This will also allow for WFTV to continue providing community access television while reviewing its operations for possible efficiencies and to renegotiate its contracts with other agencies to cover an appropriate share of studio expenses.

This will be a topic of discussion for the Citizens' Budget Committee this spring. In the meantime, please feel free to contact Assistant City Manager Kirsten Wyatt or me with any questions.

c: West Linn Citizens' Budget Committee
David Frasher, City Manager, City of Oregon City